



October 9, 2014

TO: Honorable Mayor and City Council

FROM: Edward C. Starr, City Manager 

SUBJECT: WEEKLY REPORT: October 3-9, 2014

➤ **CITY MANAGER/ADMINISTRATIVE SERVICES DEPARTMENTS**

- In a report released last month by the Brookings Institution, the country's love affair with cars appears to be stalling in many places as commuters begin to use other forms of transportation. After years of sustained growth, driving levels are flat-lining, while more young people are opting for alternative transportation modes, including public transit. From coast to coast, this shift in commuting patterns is apparently taking place all across the country, even in traditionally car-centric locations like Los Angeles.

Newly released Census data from the *2013 American Community Survey* offers additional insight into the shifting nature of the nation's daily commutes. Based on the new Census estimates, over 85 percent of all workers still get to their jobs by private automobile. That amounts to over 122 million commuters, the vast majority of whom travel alone rather than in a carpool. It's also relatively consistent with the nation's commuting patterns from 1980, when nearly the same percentage of workers commuted by car.

But those long-term trends appear to mask subtle changes over the past few years. The share of national commuters traveling by private vehicle is edging down for the first time in decades—from 86.5 percent in 2007 to 85.8 percent in 2013. Meanwhile, other transportation modes have grown in relative importance.

Public transportation, which just recorded the most passenger trips since 1956, saw its share jump to over 5 percent, reaching levels not seen since 1990. In addition, the share of those bicycling and walking to work also rose to nearly 4 percent of all commuters. The biggest gain, however, came from those workers who didn't technically commute at all. With the help of burgeoning broadband coverage, nearly as many people now work from home as ride public transportation to their jobs.

Leading these national trends are the nation's largest metropolitan areas, including the Los Angeles Metropolitan Area. Over two-thirds of these metropolitan areas experienced declines in driving commutes between 2007 and 2013, coupled with a rise in commuters using public transit, walking, bicycling, and working at home.

To some degree, the rise in public transit is attributed to an increase in available public transit systems, particularly in the Los Angeles Metropolitan Area—a region that has invested more than \$50 billion to build upon its public transit systems. In a broader sense, however, the increase is directly attributed to attitudes of the Millennial Generation—a group that has a strong preference to live in high-density, transit-oriented districts that provide convenient access to public transit, shopping, entertainment, and restaurants.

Already, these evolving Millennial attitudes are influencing and shaping the environment of communities. The building of pedestrian-scaled developments, for instance, represents one way in which many metropolitan areas are stitching together their urban fabric and responding to a new geography of development and innovation. As more individuals work from home, stroll, or take public transit to their office, or even engage in widespread bike sharing and car sharing, urban and suburban areas will need to consider a range of plans and policies that address these multimodal needs.

Who are these Millennials that are driving changes to the social and environmental fabric of America? Millennials are persons who were born between 1981 and 2000. They constitute 27 percent of the U.S. population—about 79 million of our citizens—and are more ethnically diverse than any previous generation. It is estimated that Millennials will outnumber non-Millennials by 2030.

Millennials live at home with their parents until later in life, prefer clustering in high-density developments, and defer decisions to marry and start families. These attitudes make baby clothing, appliances, household furnishings, and property maintenance tools less of a purchasing priority. They do, however, have a major purchasing weakness for technology. Thirty percent of Millennials use four or more electronic devices daily, and check those devices an average of 43 times each day—or once every 15 minutes.

Millennials grew up using technology; so it comes as no surprise that they deploy technology for shopping. According to Stifel Finance Corp., in 2014 retailers will generate half their sales growth from Web purchases. That means about \$18 billion in revenue growth will be generated from on-line purchases.

E-commerce has been doubling every five years and analysts say there is no end in sight. Major retail shopping centers that do not reposition to market to Millennials may be taking the biggest hit. Sixty percent of Millennials say they infrequently visit malls, but about half spend an hour a day shopping or browsing online. It is all about convenience.

To address these changing attitudes, cities, developers, financiers, marketers, and retailers are rethinking their respective communities and how they propose to house and market to Millennials. To that end, transit oriented districts (TODs) bring high-density housing, pedestrian walkways, bike paths, entertainment, shopping, restaurants, and transportation services into a defined community that offers convenient access and a social community. Furthermore, those TODs that also offer convenient access to educational institutions, cultural centers, jobs, and other service-oriented centers will be the most successful TOD goals of the Montclair Plaza District.

- Governor Brown's office announced he has vetoed a bill that would have placed strict limits on law enforcement agencies using unmanned aerial vehicles for surveillance.

Unmanned aerial vehicles, also known as drones, are aircraft either controlled by pilots from the ground or increasingly, autonomously following a pre-programmed mission. The use of drones as recreational devices has increased in recent years, as has the interest in the use of drones for commercial purposes.

AB 1327, by Republican Assemblyman Jeff Gorrell of Camarillo, would have required government agencies to get warrants before conducting surveillance with drones, except in cases of environmental emergencies, such as oil or chemical spills. It also would have required that agencies publicly announce their intent to buy and use drones and destroy most of the data collected within a year. Three other states have placed a moratorium on drone use by state and local agencies.

Assemblyman Gorrell had argued that the expanded use of drones by law enforcement has pushed the boundaries of the public's reasonable expectation of privacy, triggering a need for protection.

Brown said, in a statement to the Assembly, the bill does not give law enforcement enough leeway. Brown argued the measure appeared to impose restrictions on law enforcement that go beyond federal and state constitutional protections against unreasonable search and seizures and the right to privacy.

The bill was passed by the Legislature in the last days of its session last month, along with another bill, AB 2306, which expands invasion-of-privacy statutes to include paparazzi photographers pursuing celebrities with drones in their homes and backyards. While Governor Brown vetoed AB 1327, he signed AB 2306.

Currently, the Federal Aviation Administration (FAA) is working to develop drone regulations since the enactment of the FAA Modernization Act of 2012. Until the framework is in place, those looking to fly for commercial purposes can only proceed by exemption. The FAA has approved the use of drone operations by law enforcement and other public agencies, but the use of these drones remains restricted to areas strictly cordoned off by regulations from all other air traffic.

- Mayor Paul Eaton, Police Chief Mike deMoet, Director of Human Services Marcia Richter, Police Lieutenant Brian Ventura, Administrative Analyst Mikey Fuentes, and I attended Chaffey Joint Union High School District's (CJUHSD) Report to the Community on September 24. Held at Chaffey High School in Ontario, the event shared the district's accomplishments during the 2013-14 academic year and its vision for the future.

Fourth District County Supervisor Gary Ovitt and representatives from the cities of Montclair, Ontario, and Rancho Cucamonga were present, as well as members of the CJUHSD Governing Board, Chaffey Joint Union staff, community partners, and local businesses.

CJUHSD Superintendent Mat Holton introduced a brief video that included Chaffey's enrollment and graduation rates throughout the district; faculty, staff, and student accomplishments; student success stories in the areas of academics, sports, and post-graduation employment; new programs and courses developed to better serve the needs of students and faculty; and local partnerships with local business, cities, and other academic institutions.

As part of the presentation, Superintendent Holton discussed the continued success of Online to College, an initiative launched in 1999 by the City of Montclair, Ontario-Montclair School District, and Chaffey College.

Online to College began by helping students in three Montclair elementary schools to achieve the dream of a free, two-year college education at Chaffey College if they graduated from Montclair High School. Chaffey College's Office of Research used a control group and tracked outcomes for

the students in the Online to College program. The research found that Online to College participants had a college enrollment rate of 60 percent, in contrast to the control group with a college enrollment rate of 40 percent. Students in the program also performed better in terms of grade point averages, High School Exit Exam scores, and school attendance.

- Last week, U.S. Bankruptcy Judge Christopher Klein ruled from the bench that, as a matter of federal law, the pension agreements between the City of Stockton and California Public Employees' Retirement System (CalPERS) could be modified and or reduced in Chapter 9 municipal bankruptcy proceedings.

Until now, public pensions in California were believed to be off-limits, even if the government provider went bankrupt. Lawmakers could scale back benefits, but only for newly hired workers, as the Legislature did last year. A bankruptcy judge did rule in Detroit last year that pensions could be reduced for existing workers and retirees, but CalPERS argued that ruling was not relevant because California law provides more protections to public pensions.

The practical effect of Judge Klein's ruling remains unclear. It depends in large part on whether Judge Klein will accept Stockton's financial reorganization plan—a plan under which the city promises to keep making its annual \$29 million pension payments in order to retain its relationship with CalPERS.

Judge Klein's ruling is based on the legal principle that the U.S. Constitution grants exclusive authority to Congress over bankruptcy matters and that federal bankruptcy laws preempt a state statute enacted in 1982 to prevent just this result.

Quoting the English idiom "in for a penny, in for a pound," Judge Klein said that while the Legislature could decide whether its local governments could seek Chapter 9 bankruptcy protection, the state could not create a condition as it had done in the 1982 statute to prevent the impairment of CalPERS contracts. The Court further said the payments to CalPERS required by the contracts were "unsecured" obligations of the debtor (Stockton) and were, therefore, dischargeable in bankruptcy in the same manner as other similar unsecured obligations.

Judge Klein emphasized, in fact, that the provisions of Section 365 of Title 11 of the United States Code (Bankruptcy Code) is the heart of the entire Bankruptcy Code, and it would be unconstitutional for the Legislature to restrict it. Government Code Section 20487 reads as follows:

"Notwithstanding any other provision of law, no contracting agency or public agency that becomes the subject of a case under the bankruptcy provisions of Chapter 9 (commencing with Section 901) of Title 11 of the United States Code shall reject any contract or agreement between that agency and the board pursuant to Section 365 of Title 11 of the United States Code or any similar provision of law; nor shall the agency, without the prior written consent of the board, assume or assign any contract or agreement between that agency and the board pursuant to Section 365 of Title 11 of the United States Code or any similar provision of law."

Judge Klein did not order Stockton to modify its plan of adjustment to reduce its payments to CalPERS, but indicated he would decide on the merits of the city's plan of adjustment in the bankruptcy proceeding on October 30, 2014. Judge Klein also stressed repeatedly the city could revise its proposed plan at any time before an issue is ruled, leaving the door open to continued negotiations by the parties if they so choose.

➤ **HUMAN SERVICES DEPARTMENT**

- The City of Montclair Mini-School will hold an Open House on Saturday, October 11 from 9 a.m. to noon at the Kids Station. The Kids Station is located at 4985 Richton Street. Featured will be tours of the facility, free craft activities for children, and information on upcoming sessions. Come and meet the staff of our Mini-School!
- Do not miss the 2014 Community Health Fair on Tuesday, October 21 from 9 a.m. to noon in the Montclair Community Center. Local sponsors include Chino Valley Medical Center, City of Montclair, Montclair Hospital Medical Center, and the Montclair-Ontario Junior Women's Club.

The Fair will offer free health screenings, including blood pressure, glucose, hearing, structural and dental; and complimentary seasonal flu shots for those 18 years and older. Health-related agencies will be present with a variety of educational material for attendees. There will also be door prizes throughout the event and refreshments.

Complimentary flu shots will be offered to all City employees from 11:30 a.m. to noon at the Fair, and on Monday, October 27; Wednesday, October 29; and Thursday, October 30 from 4 p.m. to 5 p.m. at the Montclair Medical Clinic. Appointments are not required and vaccines will be given on a first-come, first-served basis.

For additional information, please call Senior Human Services Supervisor Michelle Castillo at Ext. 451.

- The 2014 Candidates' Forum will be held at the Senior Center on Wednesday, October 15 at 7 p.m. Presented by the Montclair Community Action Committee and the Montclair Chamber of Commerce, the Forum will provide a setting for Montclair residents to pose written questions to the candidates regarding civic-related duties. Montclair residents are encouraged to attend.

All candidates running for the two open City Council seats were invited to participate. Incumbent Bill Ruh and challengers Sean Brunske, Josie Garcia, Benjamin Lopez, and Trisha Martinez have confirmed their attendance. There will not be a forum for the mayoral seat because Mayor Paul Eaton is running unopposed.

The Candidates' Forum will be videotaped and broadcast on Montclair Channel 3 on various dates prior to the November 4 Election.

Please direct any questions regarding the Candidates' Forum to Human Services Director Marcia Richter at (909) 625-9453.

POLICE DEPARTMENT

- Led by the Montclair Police Department, the multi-agency task force known as SMASH (San Bernardino Movement Against Street Hoodlums), saturated the streets of Montclair on Friday, October 3, targeting probation and parole violators in the city. Eighty-eight officers in 2-man teams participated in the sweep, making 43 arrests from 3 p.m. to 11 p.m.

Agencies that joined Montclair Police Department in the operation were San Bernardino County Sheriff's Department; California Highway Patrol; San Bernardino County Probation Department; and Chino, Colton, Fontana, Rialto, San Bernardino, and Upland Police Departments. There was also assistance from 28 support staff members from these agencies, including our own.

A SMASH operation takes weeks of planning and coordinating with the multi-agencies that participate. Dubbed highly successful by Lieutenant Brian Ventura, the operation was coordinated by Sergeant Steven Griffin and CSU Officer Eric Ruziecki.

Besides the 43 arrests, there were 40 compliance checks, 72 traffic stops, 35 subject checks, 6 vehicle checks, and 42 location checks.

- Reserve Sergeant Scott Stephenson and Reserve Officer Joe Kuskie participated in Sears Safety Awareness Day on Saturday, October 4 at Montclair Plaza. The event was held at the main mall entrance to Sears and had representation from six different businesses.

Our appreciation goes to Scott and Joe for representing the City at this event.



Reserve Sergeant Scott Stephenson and Reserve Officer Joe Kuskie

➤ **PUBLIC WORKS DEPARTMENT**

- On July 24, 2014, the Deputy City Clerk received and opened 10 bid proposals for the Sunrise Park Block Wall Replacement Project. The proposals ranged from a low of \$108,380 to a high of \$236,750. On August 4, 2014, the Montclair City Council awarded the project to M. C. Alyea Construction.

In total, 3,000 square feet of block wall will be replaced. Work also includes the replacement of an existing SCE meter pedestal and relocation of park lighting and irrigation equipment. Demolition of the existing block wall began this month and is expected to be completed by November 14, 2014.

Funding for the Sunrise Park Block Wall Replacement Project comes strictly from the Park Development Fund.



ECS:spa

The farmer is the only man in our economy who buys everything at retail, sells everything at wholesale, and pays the freight both ways.

~ John F. Kennedy

OCTOBER 2014



| | | |
|----|--|------------------------------|
| 08 | Farmer's Market Montclair Town Center | 4 p.m. - 8 p.m. |
| 11 | Montclair Fire Department Open House and Pancake Breakfast, 8901 Monte Vista Avenue | 8:30 a.m. - 11:30 a.m. |
| 13 | Planning Commission Meeting - Canceled | |
| 14 | City Manager's Staff Meeting City Hall Conference Room | 9:00 a.m. |
| 15 | Candidates' Forum Senior Center | 7:00 p.m. |
| 16 | Safety Committee Meeting City Hall Conference Room | 9:00 a.m. |
| 16 | Public Works Committee Meeting City Hall Conference Room | 4:00 p.m. |
| 16 | Lights On After-School Community Center | 6:30 p.m. - 8 p.m. |
| 17 | Youth Talent Showcase Community Center | 6 p.m. |
| 20 | Code Enforcement Committee Meeting - Canceled | |
| 20 | City Council Workshop – Auditor's Report | 5:45 p.m. |
| 20 | City Council Meeting Council Chambers | 7:00 p.m. |
| 21 | Montclair Community Health Fair Community Center | 9 a.m. - Noon |
| 25 | Montclair Fruit Park's First Anniversary Sunset Park | 10 a.m. |
| 27 | Planning Commission Meeting Council Chambers | 7:00 p.m. |
| 28 | City Manager's Staff Meeting City Hall Conference Room | 9:00 a.m. |
| 31 | Children's Halloween Party Community Center | 5:30 p.m. - 8:00 p.m. |